Sharing of Air Travel Tax

160. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the State Government of Andhra Pradesh has requested the Ministry for parting a part of foreign travel tax and internal air travel tax to fund the new international airport coming up at Shamshabad;

(b) if so, the details of the request;

(c) whether the AAI has taken any decision on this request; and

(d) if not, by when a decision would be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) and (b) Yes, Sir. State Government of Andhra Pradesh had requested Government of India for exemption from Payment of Inland Air Travel Tax (IATT) and Foreign Travel Tax (FTT) at the proposed Greenfield airport at Shamshabad, so that Users' Development Charge (UDF) of equivalent amount may by imposed on departing passengers at the new airport.

(c) and (d) Hon'ble Finance Minister, in the Budget Speech 2002-03 had announced package of concession for the Greenfield airports which, *inter-alia*, includes exemption from levy of Inland Air Travel Tax (IATT) and Foreign Travel Tax (FTT) on departing passengers for projects located in the States, that charge Sales Tax on Aviation Turbine Fuel (ATF) at Central Sales Tax (CST) rate. The levy would come into being on commissioning of the new airport.

Extension of Open Sky Policy

161. SHRI SURESH KALMADI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government are considering a proposal to extend the open sky policy for another two years during the peak tourist season October-March;

(b) if so, the details thereof; and

(c) what impact it would have on tourism in India in the coming years?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) to (c) For the past few years, Government declared a limited open sky policy for the peak season, which enabled the foreign airlines to mount additional capacity to take care of seasonal rush. The decision in this regard for the coming years will be taken after considering new flights deployed by the national and foreign carriers during winter schedule on different routes and expected demand during winter tourist season on these routes.

Impact of fare review on AI'S revenue

162. SHRI B.J. PANDA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that AI has announced special domestic sector fare;

(b) if so, the details thereof;

(c) how far it has helped to net additional revenue since its implementation and whether any other Airline has also made similar concession; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) and (b) Yes, Sir. The new special fare for Air India flights departing between 8.00 A.M. and 8.00 P.M. are now 5% lower than the APEX fares being offered by the demestic carriers. The special night fare for flights departing between 8.00 P.M. and 8.00 A.M. will be further lower by 10% when compared to the special day fare offered by Air India and 15% lower in relation to the APEX fare offered by the domestic carriers.

The new special fares introduced will also not have any advance purchase conditions. The cancellation charges have been kept for special